

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

9 8 — 0 1 1

2. STATE:

Arkansas

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 1998

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

Section 1905(r)

7. FEDERAL BUDGET IMPACT:

a. FFY 1999 \$ 276,879.75

b. FFY 2000 \$ 933,591.34

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Please see attached listing

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Please see attached listing

10. SUBJECT OF AMENDMENT:

The Arkansas Title XIX State Plan has been amended to add coverage and reimbursement for Rehabilitative Services for Children.

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Ray Hanley

14. TITLE:

Director, Division of Medical Services

15. DATE SUBMITTED:

July 31, 1998

16. RETURN TO:

Division of Medical Services
P. O. Box 1437
Little Rock, AR 72203-1437

Attention: Binnie Alberius
Slot 1103

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

07-16-01

18. DATE APPROVED:

08/31/01

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10/01/98

20. SIGNATURE OF REGIONAL OFFICIAL:

Carrie A. Chis

21. TYPED NAME:

Calvin G. Bishop

22. TITLE Associate Regional Administrator
Division of Medicaid and State Operations

23. REMARKS:

DECLINED

**ATTACHED LISTING FOR
ARKANSAS STATE PLAN
TRANSMITTAL #98-011**

**8. Number of the Plan
Section or Attachment**

Attachment 3.1-A, Pages 1v, 1vv, 1vvv,
1w, and 1ww (5 pages)

Attachment 3.1-B, Pages 2tt, 2ttt,
2tttt, 2u, and 2uu (5 pages)

Attachment 4.19-B, Pages 1t and
1tt (2 pages)

**9. Number of the Superseded Plan
Section or Attachment**

None, New Pages

None, New Pages

None, New Pages

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE ARKANSAS

ATTACHMENT 3.1-A
Page 1v

AMOUNT, DURATION AND SCOPE OF
SERVICES PROVIDED

October 1, 1998

CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children

ELIGIBILITY FOR SERVICES

The following recipients are eligible for rehabilitative services to children as set forth in this Section:

A. General Eligibility

1. Categorically Needy Medicaid recipients.

B. Specific Eligibility

1. The recipient must be age twenty (20) years or less, and
2. Require rehabilitative mental health services based on recommendation of a physician or other licensed and/or certified practitioner of the healing arts acting within their scope of practice as defined in state law and/or regulations.

DURATION OF SERVICES

Each Title XIX EPSDT recipient is eligible for covered rehabilitative services in accordance with 42 CFR 440.130(d) which are medically necessary. There shall be a determination, made by a child service agency designated by state law and/or regulations, at Title 9, Chapter 30 of the Arkansas Code to make such a determination, that the child continues to be either at risk of abuse or neglect or is abused or neglected. The Division of Medical Services, as the entity authorized to determine medical necessity, reserves the right to request additional information to determine medical necessity.

COVERED SERVICES

A covered service is a specific non-residential or residential rehabilitative service determined to be medically necessary, as defined above, and included in a child's treatment plan prepared by a qualified provider of rehabilitative services to children. These services are designed to ameliorate psychological or emotional problems related to neglect and/or abuse, to restore psychological or emotional functioning which was impaired by the problems related to neglect

SUPERSEDES: NONE - NEW PAGE

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HCFA 179 <u>AR-98-11</u>	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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AMOUNT, DURATION AND SCOPE OF
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CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

and/or abuse, and to assist the child in improving or maintaining his/her highest functioning level. The following services are covered when provided according to the plan of care and when care is provided by professional state licensed and/or certified psychiatrists, psychologists, counselors, and social workers acting within their scope of practice as defined in state law and/or regulations.

1. Evaluation, Assessment, and Plan of Care Development - This non-residential service includes the initial assessment of a child's service needs and the development of a Care Plan to address those needs.

(a) The evaluation and assessment shall:

- (1) Be based on informed clinical opinion;
- (2) Be conducted by a team of professionals trained to utilize appropriate evaluative methods and procedures and acting within their scope of practice or responsibility as defined in State law and/or regulations; and
- (3) Include an evaluation of the child's cognitive development, social and emotional development and adaptive development.

(b) The plan of care shall contain:

- (1) A written plan using the information derived from the evaluation and assessment;
- (2) A statement of the child's present level of functioning in the domains examined in the evaluation and assessment;
- (3) A statement of the specific services and supports necessary to meet the unique needs of the child, the setting in which the services are to be delivered, the frequency and method of delivery, and the anticipated duration of services;

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CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

- (4) A statement of the persons responsible for implementing the plan of care; and
 - (5) A statement of the functional outcomes expected to be achieved through the provision of services and supports.
2. Therapeutic Foster Care - This residential service is provided to children whose plan of care indicates a need for a structured and consistent home environment in order to learn to manage their behavior. This twenty-four hour service consists of face-to-face interventions with a child to assist the child in understanding the consequences of inappropriate behaviors and adhering to a behavioral routine which minimizes inappropriate behaviors and their consequences. This service is provided for the purpose of the development, restoration, and/or maintenance of the child's mental or emotional growth and the development, restoration, and/or maintenance of the skills to manage his/her mental or emotional condition.
3. Residential Treatment - This residential service provides twenty-four hour treatment to children whose psychological or emotional problems related to neglect and/or abuse can best be restored by residential treatment in accordance with the child's plan of care. The objective of this service is to assist the child in improving or maintaining his/her highest functioning level through individual and group therapeutic interventions to improve or maintain the skills needed to safely and securely interact with other persons, through symptom management to allow the child to identify and minimize the negative effects of psychiatric or emotional symptoms which interfere with the child's personal development and community integration, and through supportive counseling with a child to develop, restore and/or maintain the child's mental or emotional growth.

PROVIDER QUALIFICATION

Rehabilitative services for children will be provided only through qualified provider agencies. Qualified provider agencies must meet the following rehabilitative services for children criteria:

1. Have full access to all pertinent records concerning the child's needs for services including records of the Arkansas District Courts, local Children's Service Agencies, and State Child and Family Services Agency,

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AMOUNT, DURATION AND SCOPE OF
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CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

2. Have established referral systems and demonstrated linkages and referral ability with community resources required by the target population,
3. Have a minimum of one year's experience in providing all core elements of rehabilitative services for children,
4. Have an administrative capacity to ensure quality of services in accordance with State and Federal requirements,
5. Have a financial management capacity and system that provides documentation of services and costs in, conformity with generally accepted accounting principles,
6. Have a capacity to document and maintain individual case records in accordance with State and Federal requirements, and
7. Have a demonstrated ability to meet all State and Federal laws governing the participation of providers in the State Medicaid program, including the ability to meet Federal and State requirements for documentation, billing, and audits.

SERVICE SETTINGS

Rehabilitative services for children will be provided in the least restrictive setting appropriate to the child's assessed condition, plan of care, and service needs. Services shall be provided to children in one of the following settings:

1. Non-residential services provided to children who reside in a family home setting will be provided either in the child's home or in the customary place of business of a qualified provider.
2. Residential services provided to children who reside outside of a family home will be provided in an appropriately state licensed and/or certified facility including:
 - (a) Therapeutic foster homes licensed and/or certified in accordance with the Minimum Licensing Standards for Child Welfare Agencies adopted by the Child Welfare Agency Review Board and the Arkansas Department of Human Services.

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AMOUNT, DURATION AND SCOPE OF
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CATEGORICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

3. Services shall not be reimbursed when provided in the following settings:

- (a) Nursing facilities,
- (b) Intermediate care facilities for the mentally retarded, and
- (c) Institutions for the treatment of mental diseases.

FREEDOM OF CHOICE

The State assures that the provision of rehabilitative services for children will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

- 1. Eligible recipients will have free choice of any qualified provider of rehabilitative services for children, and
- 2. Eligible recipients will have free choice of the providers of other medical care as covered elsewhere under the Plan.

COMPARABILITY OF SERVICES

The State assures that the provision of rehabilitative services for children will not limit an individual's access to medically necessary services in violation of section 1902(a)(10) of the Act.

- 1. Rehabilitative services for children will be made available to all children for whom this service is determined to be medically necessary, and
- 2. All medically necessary health care services described in section 1905(a) will be provided to all EPSDT eligible recipients.

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AMOUNT, DURATION AND SCOPE OF
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October 1, 1998

MEDICALLY NEEDY

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

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AMOUNT, DURATION AND SCOPE OF
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4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

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AMOUNT, DURATION AND SCOPE OF
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MEDICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

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AMOUNT, DURATION AND SCOPE OF
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MEDICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

2. Have established referral systems and demonstrated linkages and referral ability with community resources required by the target population,
3. Have a minimum of one year's experience in providing all core elements of rehabilitative services for children,
4. Have an administrative capacity to ensure quality of services in accordance with State and Federal requirements,
5. Have a financial management capacity and system that provides documentation of services and costs in, conformity with generally accepted accounting principles,
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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AMOUNT, DURATION AND SCOPE OF
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MEDICALLY NEEDY

4b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age, and Treatment of Conditions Found. (Continued)

19. Rehabilitative Services for Children (Continued)

3. Services shall not be reimbursed when provided in the following settings:

- (a) Nursing facilities,
- (b) Intermediate care facilities for the mentally retarded, and
- (c) Institutions for the treatment of mental diseases.

FREEDOM OF CHOICE

The State assures that the provision of rehabilitative services for children will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

- 1. Eligible recipients will have free choice of any qualified provider of rehabilitative services for children, and
- 2. Eligible recipients will have free choice of the providers of other medical care as covered elsewhere under the Plan.

COMPARABILITY OF SERVICES

The State assures that the provision of rehabilitative services for children will not limit an individual's access to medically necessary services in violation of section 1902(a)(10) of the Act.

- 1. Rehabilitative services for children will be made available to all children for whom this service is determined to be medically necessary, and
- 2. All medically necessary health care services described in section 1905(a) will be provided to all EPSDT eligible recipients.

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

October 1, 1998

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of
Conditions Found (Continued)

23. Rehabilitative Services to Children

A. Unit Rate Establishment

Unit rates for rehabilitative services to children will be determined as follows:

Compute the	Actual cost of rehabilitative services billed and approved for payment during the most recently completed 6 month period for which actual costs data exists,
Divided by	Number of units billed and approved for payment in the sample period,
Equals	Average unit cost for rehabilitative services. This unit cost will be billed for each unit of rehabilitative services that each Medicaid recipient receives each month. Documentation of the units of rehabilitative services delivered will be retained in the client files.

These rehabilitative service rates will be reviewed annually at the beginning of each State Fiscal Year to determine if an adjustment is necessary. Such adjustment will be made on a prospective basis only, utilizing the same methodology.

No Maintenance (room and board) amounts have been included in the "Rate" defined on the Federal Budget Impact Transmittal sheets that are a part of this "Rehab Option" amendment to the Arkansas Medicaid State Plan.

None of these services duplicate medical services or medical payments available under Title IV or Title XX.

B. Rehabilitative services for children will be provided in the least restrictive setting appropriate to the child's assessed condition, plan of care, and service needs. Services shall be provided to children in one of the following settings:

1. Non-residential services provided to children who reside in a family home setting will be provided either in the child's home or in the customary place of business of a qualified provider.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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STATE ARKANSAS

ATTACHMENT 4.19-B
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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

October 1, 1998

4.b. Early and Periodic Screening and Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found (Continued)

23. Rehabilitative Services to Children (Continued)

2. Residential services provided to children who reside outside of a family home will be provided in an appropriately state licensed and/or certified facility including:

- (a) Residential treatment facilities licensed and/or certified in accordance with the Minimum Licensing Standards for Child Welfare Agencies adopted by the Child Welfare Agency Review Board and the Arkansas Department of Human Services, and
- (b) Therapeutic foster homes licensed and/or certified in accordance with the Minimum Licensing Standards for Child Welfare Agencies adopted by the Child Welfare Agency Review Board and the Arkansas Department of Human Services.

3. Services shall not be reimbursed when provided in the following settings:

- (a) Nursing facilities,
- (b) Intermediate care facilities for the mentally retarded, and
- (c) Institutions for the treatment of mental diseases.

C. Determination of Retroactive Payments

1. Statement of Division Regarding Maintenance Payments

- (a) Retroactive payments to DCFS are defined as those meeting the above outlined criteria where services have occurred during a two-year prior period. (Beginning with approval of this amendment and going back two complete years.)
- (b) No Maintenance (room and board) amounts have been included in the "Rate" defined on the Federal Budget Impact Transmittal sheets that are a part of this "Rehab Option" amendment to the Arkansas Medicaid State Plan.

SUPERSEDES: NONE - NEW PAGE

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HCFA 179 <u>AA-98-11</u>	



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services

Calvin G. Cline
Associate Regional Administrator, Medicaid and State Operations

1301 Young Street, Room 827
Dallas, Texas 75202
Phone (214) 767-6301
Fax (214) 767-0270

August 31, 2001

Our Reference: **SPA-AR-98-11**

Mr. Ray Hanley, Director
Division of Medical Services – Slot 1103
Arkansas Department of Human Services
Post Office Box 1437
Little Rock, Arkansas 72203-1437

Dear Mr. Hanley:

We have enclosed a copy of HCFA-179, **Transmittal Number 98-11**, dated July 31, 1998, and the amended plan pages. This amendment will revise your State Plan to add coverage and reimbursement for Rehabilitative Services for Children under the age of 21.

We have approved the amendment for incorporation into the official Arkansas State Plan **effective October 1, 1998**. If you have any questions, please call Ford Blunt III at (214) 767-6279.

Sincerely,

Calvin G. Cline
Associate Regional Administrator
Division of Medicaid and State Operations

Enclosures

cc: Elliott Weisman, CMSO